

Influence and impact: using business for good

BATES WELLS IMPACT REPORT
2023 AND 2024



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Introduction

In the conclusion of our last impact report, we outlined a checklist to measure our progress against the challenges that we had set ourselves: to use the impact of law as a force for good within our communities; to monitor and change our impact on the environment; and to create a positive impact for our people.

I look back at the last 18 months since our Chief Operating Officer (COO) wrote those words and I am struck at how we not only continue to work on and meet these core objectives, but how we have also used our influence to make further positive change happen.

Our belief that we urgently need change in the sector, both from within and in using our experience to guide our clients is a fundamental part of everyone’s role in the firm. I am impressed by the confidence and creativity of our people in supporting businesses and charities to be better and bolder in their choices, and to address the challenges of social inclusion, climate heating and biodiversity loss.

I’m excited by the work we are doing for the Knepp Wildland Foundation, which has huge potential to support nature, biodiversity and our waterways across the UK. And the work we are doing to make power more equitable, either through impact investing principles, such as our work on Equalising Deal Terms, or by exploring ways to address historic abuses of power, such as our work with the Horniman Museum.

We continue to look for ways to better tackle the climate emergency. And we are evolving as a business and finding new routes to attract and retain talent that historically may have been unable to join the sector, particularly from lower socioeconomic and diverse backgrounds.

We share this report to encourage other organisations to join us in our mission to make business a force for good.



Martin Bunch
Managing Partner



“Our belief that we urgently need change in the sector, both from within and in using our experience to guide our clients is a fundamental part of everyone’s role in the firm”

Martin Bunch

Who we are, what we do, and why we do it

Who we are

Bates Wells is a law firm based in the City of London.

We're also a law firm that acts for more charities than any other¹; we were the first UK law firm to certify as a B Corp, wrote the legal requirements for B Lab UK and work with more than 130 fellow B Corp clients; we set up GAIL (the Global Alliance of Impact Lawyers), and supported the Better Business Act campaign by preparing a draft of the proposed legislation.

What we do

Since our last Impact report in 2022, our client work has continued to challenge and make a difference.

- We advised the **Horniman Museum** in its decision to return 72 Benin Bronzes to Nigeria. This test case could change the landscape for artefact restitution.
- In 2023 we launched the Bates Wells Sustainability & Responsibility Pledge, our commitment to guide our clients towards considering the environmental, social and governance (ESG) implications of the work that we are doing with them.

Why we do it

In our last impact report, we demonstrated that law can be used as a force for good. But that is not enough. We want to take the work that we have done for our clients and for ourselves and demonstrate the impact this has had, and how we can guide and influence both our clients and others in the sector to create lasting positive social and environmental change.

- We've used our expertise in elections law to support our clients to maximise the impact of their campaigning activities in the run up to the UK general election.
- Our clients now have stronger powers to manage and control the potential social and environmental impacts of their supply chains and agreements.
- We're supporting our charity clients to push boundaries on investments.

¹ Charity Finance 100 and 250 Index February 2023. Information extracted from charities' listing of legal advisers in their annual report. There is no obligation placed on charities for this to be up to date or definitive.

Our governance

We're a limited liability partnership jointly owned by a group of 37 elected partners who agree on the firm's strategy. The firm is led by our Management Board, made up of five elected partners including the Managing Partner, our Chief Operating Officer (COO) and a Non-Executive Director.

Our **Employee Forum** was set up in 2015 and is made up of representatives from across the firm. It acts as a sounding board for employees and regularly shares direct suggestions, concerns and ideas from our people with Management Board. There are elections to the Employee Forum every two years with every group of employees represented.

The Bates Wells **Climate Programme** was formalised in 2019 after we set targets to help us manage our impact on climate change and biodiversity loss. It is led by a partner and project managed by our Senior Operations Manager with input from people across the firm.

The **Diversity and Inclusion Forum** (DIF) networks are a place where our people can build relationships across the firm, mix with others who are 'like' them and collaborate on initiatives that they feel passionate about. The DIF networks give an effective voice to underrepresented communities in the firm.

DIF acts as an umbrella, supporting these networks to flourish. The individual networks develop and lead activities that aim to improve awareness and inclusion across the firm.

The HR Director and DIF Chair (a partner) lead the forum, coordinate with the networks and work with them to set our equity, diversity and inclusion (EDI) strategy.

Reputational Risk Group

Our **Reputational Risk Group** is led by our Director of Risk and Compliance and includes our Managing Partner, COO, Director of Business Development and Marketing, and several partners, including those who lead on our climate and diversity commitments. The group is convened to consider if a matter or client could have a material negative impact on climate, biodiversity or social justice – thereby impacting our own purpose and values. The group can and does sometimes decline to act. In certain instances, it will seek additional information from the client, or look to influence them, to satisfy itself that the work does not conflict with our stated strategy and values to use law to do good and to enable a just transition.

Bates Wells Sustainability and Responsibility Pledge

In June 2023 we published the Bates Wells **Sustainability and Responsibility Pledge**. The pledge codifies our intention to carry out our legal work with integrity and honesty, without causing negative impacts on nature, biodiversity or people. Our aim is to use the law in ways that minimise ecological harm and climate heating and create access to justice, the protection of human rights and upholding the rule of law.

In practice this means our clients can expect us to guide them towards considering the ESG implications of the work that we are doing with them while looking for innovative ways to mitigate any potential negative impacts. We will continue to use our influence to encourage more sustainable and responsible practices in policy, law and business.

Creating the conditions for better business

We give our lawyers the freedom to pursue their individual sustainability goals and the space to be creative when addressing social and environmental justice and better business models. Because of this, our firm was involved in bringing B Corp to the UK and setting the legal test for B Corps here, and has played a pivotal role in developing the Better Business Act, setting up The Global Alliance of Impact Lawyers (GAIL) and the Good Business Foundation.

B Corp

Bates Wells was the first UK law firm to certify as a **B Corp** in 2015. Being a B Corp is about more than having the badge. Like others in our community, we use our B Corp status as a guide to constantly improve how we do business.

Our B Corp status has helped us focus on improving diversity and inclusion in our firm, supported our drive for increased environmental action and encouraged us to build transparency into our governance structures. It also means we have a clear focus on improving our supply chain and have developed a strategy to attract even more purpose-driven clients and legal work.

We have achieved two Impact Business Models (IBM). IBMs measure how a business is designed to create a specific positive benefit or outcome for one of its stakeholders (based on a product, activity or

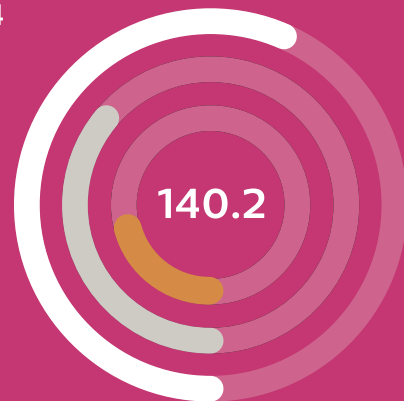
structure of a business). Our IBMs were achieved for our work for purpose-driven enterprises (in the last year 74% of our income was from work done for purpose-driven clients) and for the work we do to support underserved populations (which stems directly from the work of our purpose-driven clients).

Our B Impact scores

2021



2024



- Bates Wells Overall Impact Score
- 80 Qualifies for B Corp Certification
- 50.9 Median Score for Ordinary Businesses

Certified



This company meets the highest standards of social and environmental impact

Corporation

Global Alliance of Impact Lawyers (GAIL)

We are one of the main driving forces behind the recently formed **Global Alliance of Impact Lawyers**. We facilitated its creation, provide the secretariat and have incubated the network and supported GAIL to spin out. Through GAIL, our lawyers work with colleagues from around the world to accelerate a just transition by educating other lawyers, shaping law and policy and encouraging more sustainable business practice.



Better Business Act

Having co-founded the campaign, we continue to support the **Better Business Act** by sitting on the board. We were involved in drafting the proposed changes to legislation that would require all businesses to operate with consideration to wider stakeholders and not just profit. This change would make social and environmental justice central to all business decision-making, on a par with profit.



Good Business Charter

After helping to set up the Good Business Foundation, we were accredited by the **Good Business Charter** in 2021. Our accreditation demonstrates our commitment to real living wages, fair hours and contracts, employee wellbeing, employee representation, EDI, environmental responsibility, paying fair tax, our customers, ethical sourcing, and prompt payment to suppliers.



Who we work for

We track where our clients come from and the impact we are having through our legal work. We work with **more than 130 B Corp clients** and actively engage and encourage others who are considering this route. We work for more charities than any other law firm² and we have been ranked in tier one of both Legal 500 and Chambers for the advice we give to our clients in the sector.

Business Plans

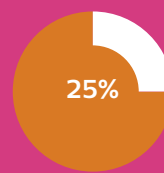
All departmental business plans include a focus on working with purpose-driven organisations (including charities, social enterprises, not for profits, public bodies and purposeful businesses) and in the last financial year, all departmental business plans have included at least one specific purpose & impact objective.

Our supply chain

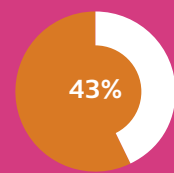
We understand the importance of managing our own supply chain. We have been engaging with our suppliers for more than five years to help measure their social and environmental impacts. We want to make sure that the money we spend running our firm isn't harming society or the environment.

We use a supplier code of conduct to check that our suppliers share our values and ask them to complete a questionnaire to measure their positive impact. We ask them to commit to socially and environmentally responsible practices, including paying a living wage, minimising negative environmental impacts and having a focus on diversity and inclusion. Last year we updated the questionnaire to recognise and give weight to businesses that share our diversity values and are owned by women and/or underrepresented groups.

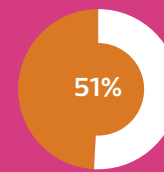
Our analysis shows that of our core suppliers



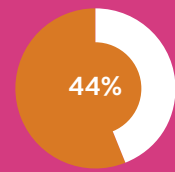
are B Corps or social enterprises



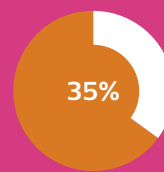
are SMEs



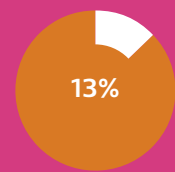
have already made a commitment to reach net zero by 2030



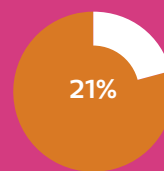
are independent local businesses (within the M25)



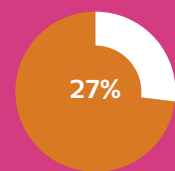
are accredited living wage employers



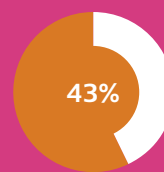
are majority owned by women or underrepresented groups



are at least a quarter owned by women or underrepresented groups



have boards made up of mostly women or underrepresented groups



have at least a quarter of their boards made up of women or underrepresented groups

2. Charity Finance 100 and 250 Index February 2023. Information extracted from charities' listing of legal advisers in their annual report. There is no obligation placed on charities for this to be up to date or definitive.

Campaigning and elections

Over the last two years our politics, elections and campaigning team have focused on supporting clients to maximise their impact in the run up to the UK general election. We've supported charities, businesses, political parties, candidates and campaigning organisations to make sure their campaigning, advocacy and lobbying activities complied with relevant law and regulation while helping them set strategies that continued to meet their own objectives.

Save the Children UK

We supported **Save the Children UK** with their plans to work with a number of other charities and voluntary organisations to run a children's election parallel to the UK general election. We worked with their team to advise them on how to mitigate any risks under the relevant election and charity law frameworks to achieve maximum impact in line with the charity's purposes.

Green New Deal Rising

We gave **Green New Deal Rising** advice on their planned lobbying, campaigning and public protest plans, including application of non-party campaigning rules, in relation to both the general election and local campaigning.



Sustainable supply chains

We have helped our clients build provisions into supply chain contracts that mirror their values. These provisions have created obligations and requirements for direct suppliers and their subcontractors to address circularity, carbon reduction, reduced environmental impacts, modern slavery and human trafficking.

Made in Britain

We were engaged to update standard template agency and supplier agreements for **Made in Britain**, a UK-based member organisation of more than 2,000 manufacturers. In reviewing their impact focus we identified that circularity and low carbon, alongside social considerations, are core to its values. We worked with the client to embed the expectations arising from their existing member code of conduct and other frameworks into their relationships with suppliers, allowing them to have a positive impact beyond their member base.

Pie Factory

Pie Factory approached us because they wanted to ensure that their supplier contracts complied fully with their sustainability objectives and that all agreements were aligned with the provisions set out in their supplier code of conduct. We helped them develop a framework supplier agreement that gave them the control and influence on their supply chain that they wanted. We included provisions requiring suppliers to be accurate in their responses to the supplier questionnaire, to keep the information provided to Pie Factory up to date, and to comply with relevant sustainability requirements set by Pie Factory.

Environmental considerations in franchise agreements

Our client set itself stringent sustainability standards and asked us to review the carbon emissions reporting and sustainability objectives for their franchise agreements. The agreement commits franchisees to switch to renewable energy sources, share data about their annual energy and water consumption and to work with our client to reduce environmental impacts in their operations. The agreement also asks franchisees to implement environmental management systems, reduce consumption of non-renewable materials, reduce greenhouse gas emissions and improve the environmental performance of their premises.



Supporting the charity sector

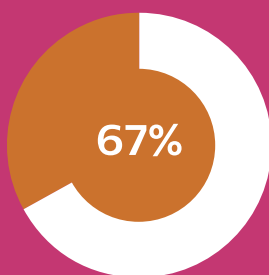
As one of the top firms supporting the charity sector, we aim to ensure that our clients stay ahead of shifts in regulation, public perception and best practice. At our annual charity conference, Spotlight, we help the sector grapple with topics that can be socially divisive, while our lawyers also provide cutting-edge legal advice and bring together key players to move the sector forward on ESG, funding and regulation.

Horniman Museum

In 2022 we advised the **Horniman Museum**, in its highly publicised decision to return 72 Benin Bronzes to Nigeria. This test case could change the landscape for both restitution and the use of Charity Commission statutory powers. Over the last year we have continued to work with the museum on its groundbreaking decision to return Aboriginal artefacts where there is no clear historical record of looting but a strong body of evidence that the acquisition of items caused extreme duress to a people and resulted in moral injustice.

The Charity Investment Governance Principles

We convened a group of charity sector ‘umbrella bodies’ and proposed the concept of developing a set of Charity Investment Governance Principles, a major new initiative to establish and set out charity investment best practice. The principles build on our work acting for the successful claimants in the Butler-Sloss case, which set a legal precedent that empowers charities to align their investments with their charitable purposes, and will complement the Charity Commission’s updated CC14 guidance and the Charity Governance Code. The project is being hosted by Charity Finance Group and has moved forward under the leadership of Gail Cunningham and a sector-led Steering Group, with funding from a number of supportive foundations. We are supporting the Steering Group as expert legal advisor. The principles will reflect the experiences of charities across England and Wales, with a consultation currently underway, and will be launched in Autumn 2024.



We continue to support and champion the charity sector with 67% of our work coming from charities and other not-for-profit organisations.

Charity venture investments

Macmillan Innovation Impact Investment Portfolio

We have advised **Macmillan** on their equity investments as part of their Innovation Impact Investment Portfolio. The portfolio has been set up to help the charity support innovation in cancer care. The fund aims to invest £3.5million in start-up businesses developing groundbreaking cancer care products and technology by 2025.

GoodPAYE

GoodPAYE is the only 100% charity-owned professional fundraising organisation set up to make payroll giving simple and effective. Their mission is to generate over £150m of additional revenue for charities via payroll giving by 2030. We advise the charity shareholders of GoodPAYE on a range of matters with respect to their equity investment into the company, as well as using them for our own matched payroll giving.

Venture Studio from Crisis

We have supported Crisis in setting up the charity law basis and negotiating the investment documents for equity investments for its **Venture Studio**, which aims to end homelessness. The Venture Studio has an ambition to support businesses that will build 10,000 homes to be let at social rent levels; enable 100,000 new homes to be created to benefit people experiencing or at risk of homelessness; and to benefit 1 million people to prevent or sustainably end their homelessness.



Having an impact on our people, our clients and our sector

We want to help make the legal sector accessible and our firm a great place for anyone to work.

- We have reviewed our recruitment processes to remove barriers preventing top talent from minority communities joining us. In the last year, 69% of all new hires have been women and 28% are from an ethnic minority background.
- We have recruited our first two Solicitor Apprentices through a scheme that aims to diversify the legal sector by attracting talent that historically may have been unable to join, particularly from lower socioeconomic backgrounds.

Just over a third of our people work part time, including 35% of our partners.

Senior men in the firm role-model family-friendly working arrangements and have helped normalise conversations with everyone about caring responsibilities, contributing to an inclusive culture.

11%
 identify as LGBT+ and 11% reported having a disability (*77% response rate);

27%
 have been at the firm 10+ years; 81% retention

75%
 are white: 83% were born in the UK and 10% of those were first-generation born in the UK.

23%
 are from ethnic minority backgrounds, of which the largest group (36%) identify as Asian and 24% are Black.

13%
 of partners and directors and 16% of our Management Board are from ethnic minority backgrounds.



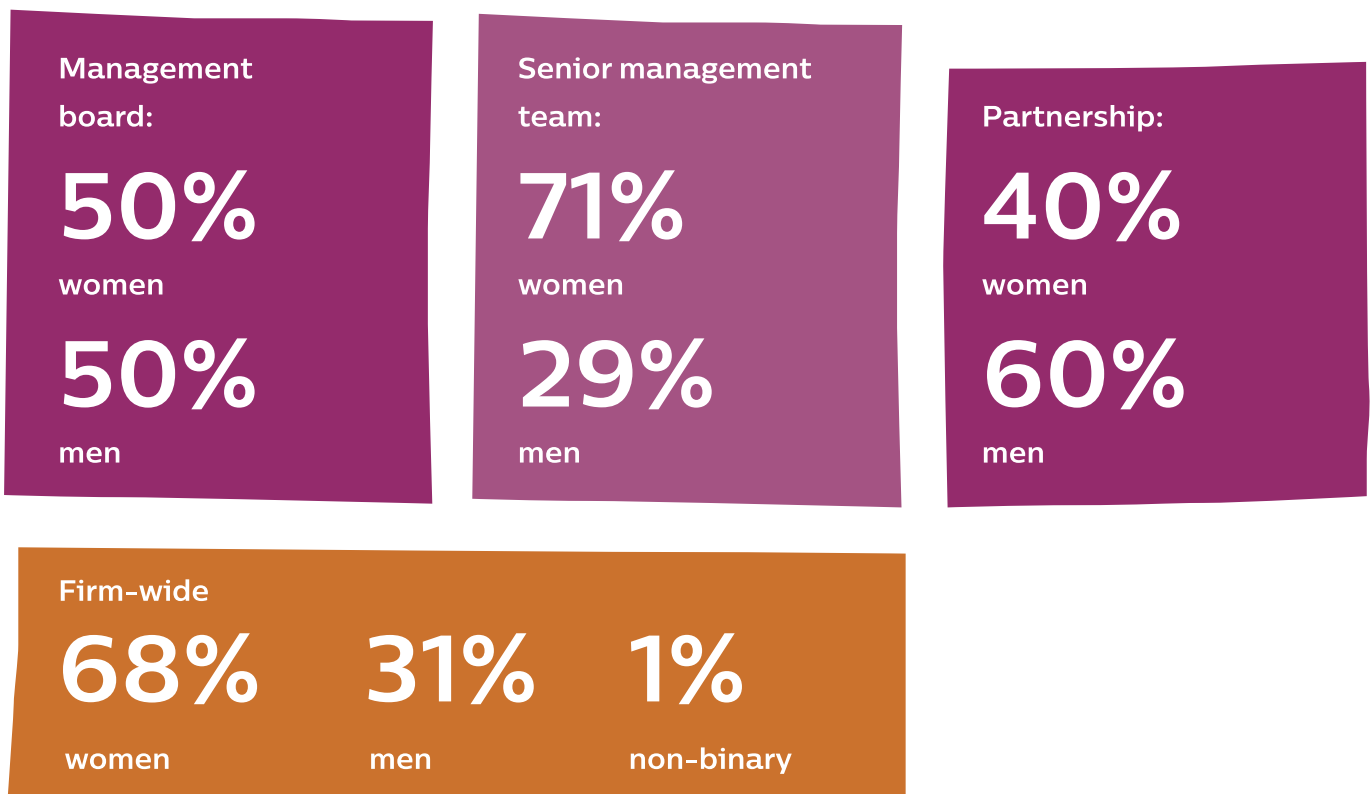
Who we are

Our latest statistics show that we are doing well against our 40/60 (either way) gender target for our leadership roles and across our partnership. Our management board is 50% women and 50% men and our partnership is 40% women and 60% men.

We are actively exploring how we can increase the racial diversity of the firm, especially in senior roles and this will continue to be a focus of our EDI work next year.



Gender



Creating a more inclusive working environment

Entering the profession

Training contracts

We continue to see an annual increase in the number of people from underrepresented backgrounds applying for training contracts at Bates Wells. For our 2025 cohort we saw an increase in applications from non-Russell Group university students and for the first time we are measuring whether applicants are the first generation in their families to go to university.

Part-time training contracts

We have partnered with The Law Society's Lawyers with Disabilities Division on a new cross-firm initiative, Project Rise, designed to help firms offer part-time training contracts. The intention is to widen access to the profession to people who have disabilities, as well as those with caring responsibilities or other commitments that make qualifying on a full-time basis inaccessible to them. We are offering part-time training contracts in our recruitment cycle for training contracts that will start in summer 2025.

Solicitor Apprenticeship Programme

The Solicitor Apprenticeship scheme aims to support people to qualify as a solicitor through work and paid time to study and will diversify the legal sector by attracting talent that historically may have been unable to join, particularly from lower socioeconomic backgrounds. We have joined the Law Society's **City Century project**, which has pledged to have 100 apprentices across the City by September 2024. We have worked with **Making the Leap** to provide assessment centre preparation and support for applicants to our scheme and look forward to welcoming our first two apprentices in September 2024, alongside three others in our business teams. As with all other roles (including solicitor work experience placements)

we will pay our solicitor apprentices at least the London Living Wage and are one of the few firms making this commitment.

Work experience

Each year we host six students for a week of work experience. Last year 66% of the students were of ethnic minority heritage and 100% represented minority socioeconomic diversity. We partner with the **Sutton Trust** to deliver the scheme.

Making a difference to the way people join us Recruitment

We continue to focus on recruiting diverse talent into our firm. We have reviewed our processes to remove barriers preventing top talent from minority communities joining us. In the last year, 69% of all new hires have been women and 28% are from an ethnic minority background. We continue to improve our data so that we can report on this in a meaningful way and will keep up our efforts to identify any further barriers to our recruitment processes.

Contextualised recruitment

To even out the playing field on academic attainment for our early career roles, from 2023 we partnered with UpReach's **RealRating** to give us contextualised recruitment. The system allows us to look at a range of circumstances that may have impacted exam results, for example the school attended and area where people live, caring responsibilities or disabilities.

Gender neutral language

We have updated our job description templates and competency frameworks using gender neutral language.

Reporting on our impact and making a positive change

Gender and ethnicity pay reporting

Both our mean (-11%) and median (-1%) pay gaps have decreased and both are now in favour of women. Our overall employee mean ethnicity pay gap increased by 7% to 11% due to an underrepresentation of ethnic minority staff in our more senior roles. However, the median remains in favour of our ethnic minority colleagues and over the last three years has dropped by 21%. More information can be found in our Gender and Ethnicity report [here](#).

Social mobility

We made our third submission to the **Social Mobility Employer Index** in 2024. Our overall ranking climbed to 81 (from 161 originally) but we know that we can do more to demonstrate our impact. After working on our submission, we have committed to broadening our outreach work in schools, increasing apprenticeship opportunities, doing more to measure class in analysing our demographics and using more strength-based interviews in our early career recruitment.

Upward mentoring

Building on previous pilot sessions, in the second half of 2022 we opened up our upward mentoring scheme to include any aspect of EDI. 12 mentee/mentor pairs discussed mental health, disability, gender and race. Mentees have been encouraged to embed learning from the programme.

Increasing accessibility

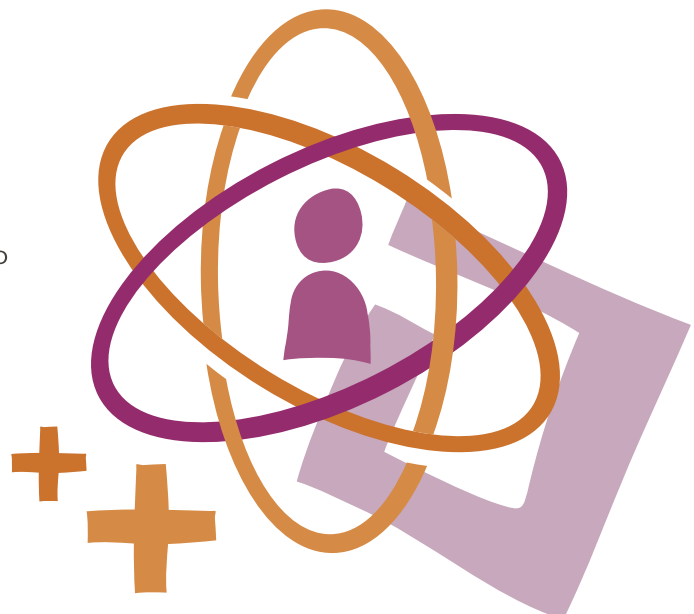
We amended the wording on our website and placed a sign in our Reception area signalling some of the ways we can make adjustments for neurodiverse visitors. We also launched the sunflower lanyard scheme for our people who wish to wear one.

Cost of living crisis

As the UK headed into the winter of 2022 facing increased food and housing costs, we took a range of actions to support our people, including one-off payments for some of our people; increased trainee maintenance grants; and increased rates paid to our office cleaners above the revised London Living Wage.

IVF Network

Following feedback from our people we have partnered with the **IVF Network** as a new fertility benefit for everyone in the firm. We continue to support families, people with caring responsibilities and gender equality.



Bringing people together

In June 2022 we hosted our first client **Pride Party** on our roof terrace bringing the firm's friends and allies together in a celebration.

For **International Men's Day** in 2022 we hosted a knitting workshop with **Stitch** to challenge gender stereotypes.

We held our first **Iftar** to mark Ramadan in April 2023, and again in 2024, to raise understanding for non-Muslim colleagues. As well as a mouth-watering feast, we had some fabulous speakers who shared faith-inspired thoughts, reflections and poems to demonstrate what Ramadan means to them.

Our UnstoppABLE network hosted regular coffee chats for our people to come together in a safe space to discuss a wide range of topics, such as eating disorders, AIDS and invisible disabilities. Our people shared personal stories of their conditions and experiences.

In June 2023 we hosted an event to celebrate the contributions and achievements of both the **Windrush generation** and the wider migrant community. The guest list comprised contacts and clients who are prominent in supporting, uplifting, and advocating for racial equity.

In September 2023 we hosted the biggest **London B Social** to date with 280 attendees from the B Corp community.

In February 2024 we had our first social to celebrate the Lunar New Year and celebrate Chinese culture.



Giving back

Responding to the Türkiye/Syria earthquake

We regularly provide secondees to clients to help them fill a particular gap or realise an important project. After the earthquake in Türkiye and Syria we reached out to our client, **The British Red Cross Society**, to see what support they needed in responding to the humanitarian crisis. After hearing about their areas of challenge, we seconded one of our team to support them in working on fundraising contracts. These contracts secured corporate donations, helping the charity to respond to the crisis on the ground efficiently and to deliver safe and compliant services in light of amended Home Office guidance that affected the humanitarian response.

The Stephen Lloyd Awards

The Stephen Lloyd Awards were set up by the Bates Wells Foundation to nurture early-stage innovations addressing social or environmental change. The firm donates 1% of profit annually to support the Foundation, which also matches employee-led fundraising initiatives. Award finalists and winners develop their projects through funding and support received from the Awards' supporting partners, who include volunteers and donors from the firm and our wider community.

In 2022 and 2023 awards entrants benefitted from over 600 hours of voluntary support from Bates Wells people and the Awards' partners. The six winners over the two years received grants totalling £165,000. Since its inception, the Foundation has donated over £800,000 and thousands of hours of professional support to nearly 150 organisations.



Pro bono, volunteering, trusteeships (year ending 31 March 2024)

All our people are entitled to take 2 days for volunteering activities each year and they are also encouraged to use their expertise to support charities by taking on trustee duties.

3,149

hours volunteering activities

183,172

hours pro bono activities

50

trusteeships

Making funding fairer

Equalising Deal Terms

We co-led with the Equality Impact Investing Project (EIIP) on the Equalising Deal Terms Project (EDT). The project investigated current (and often inadvertent) power imbalances in impact investing relationships. After identifying the root causes, the team recommended changes to investment terms, legal processes and documents to address the power imbalances that currently exist between parties to impact investments and set out specific practical actions to rebalance power between funders and the enterprises and organisations that receive their funding. The Project focuses on mutual trust, respect, openness and a fair sharing of risk. These initial recommendations are set out in the **EDT Principles** launched in March 2024.

Barking and Dagenham Giving

We are advising **Barking and Dagenham Giving** on how to make social investments in local businesses on terms that are more balanced and equitable and that challenge the traditional top-down power dynamics of an investor–investee relationship. We worked with them previously to shape their investment policy to allow for co-creating and developing place-based funding with local communities in a deeply inclusive and participatory way. The local community is involved in identifying areas that require funding and this is used to guide the investment principles of the fund.

Impact investments in the global South

AHL Venture Partners: We have supported **AHL Venture Partners** with their catalytic impact-focused venture investments in SMEs across Africa, focusing on financial inclusion, climate action, and sustainable food and agriculture. Projects include Mkopa – a connected asset financing platform that provides unbanked customers in Africa with access to essential products, including motorbikes, solar lighting and financial services; a loan to a pan-African financial services group that provides payroll lending and SME financing to individuals and small businesses that are often overlooked by traditional banks; and Burn – designing, manufacturing and financing fuel-efficient and affordable cookstoves.

UBS Optimus Foundation: We have supported the **UBS Optimus Foundation** with its work to deliver breakthrough solutions to pressing social and environmental issues in low- and middle-income countries, with a focus on health, education and tackling environmental degradation and climate change. Projects include its equity investments in Earlybird Educare at Work – a South African social enterprise that aims to provide high quality, centre-based early childhood development services.



Clarifying equality, rights and the Equality Act

Our teams have been working with clients to navigate concerns around discrimination and the Equality Act. Any action or decision taken by an organisation that has an impact on people through their policies and procedures, or their provision of services, can be subject to complaints or claims under the Equality Act. This includes membership criteria, complaint investigations, or even designing and building a website.

The Green Party

We acted for the Green Party in an Equality Act claim about **discrimination**. The case is significant in establishing that it is not discriminatory for political parties to remove a spokesperson on the grounds of belief, provided it follows a fair process in carrying out the removal, while confirming that those with gender critical beliefs are protected under the Equality Act. The principles established in the judgment mean that political parties are free to debate contentious issues, even in terms which might be considered offensive.

Wholegrain Digital

Employer activism policy: Our client and supplier **Wholegrain Digital**, has taken a stance by committing to support their people in non-violent direct action, allowing paid time off work to take part in activism, giving protection of employment and some financial support, including bail money if needed. We worked with them to develop their policy, taking account of regulatory, insurance and reputational issues and included considerations around discrimination under the Equality Act. The policy sets out how Wholegrain will support their employees in **personal activism** and sets clear boundaries on expectations. As far as we're aware, this is the first policy of its kind.

Uber Eats driver

Our Employment team supported an Uber Eats driver, Mr Manjang, in bringing claims in the **Employment Tribunal** following problematic AI checks. Mr Manjang received a financial settlement following allegations that the AI facial recognition system required to access the platform for work was racially discriminatory.

Vodafone Foundation Apps Against Abuse

Vodafone Foundation seeks to harness the power of technology for good – in particular, the Foundation funds or operates five apps aimed at improving the lives of people across the world. We've helped the Foundation with a range of advice including user-facing terms and conditions, data privacy documentation and advising on intellectual property matters. We have also provided advice on broader issues, including how to balance the need to ensure that apps are rolled out to those who need them most while making sure that their availability and use does not put users at risk because their lifestyle or beliefs are threatened in their home country.

One of the apps, Zoteria, stemmed from an idea from Vodafone's own internal LGBT+ community. Vodafone Foundation, in collaboration with other charities, designed the app to create a safer world for LGBT+ people. The app provides access to reliable support services around LGBT+ advice, hate crime, housing, mental and sexual health services and allows users to report incidents directly to support organisations.

Supporting clients to deliver sustainable and more affordable housing

Plymouth Energy Community

Our client is creating affordable, healthy and net zero homes in the Plymouth area. Their flagship scheme has received outline approval to create a **One Planet Living** development that includes affordable homes that generate enough energy in a year to meet their own heating, hot water and electrical appliance needs. The development will include community green spaces, access to surrounding nature reserves, deliver net gain in biodiversity and provide local food-growing opportunities and sustainable transport options. We have worked with our client to ensure that their key environmental impact priorities are built into all agreements with partner organisations, including the local council, builders and contractors, while ensuring affordability. Our work has included adjusting standard documents to include a focus on positive environmental impacts.

One YMCA

We have advised **One YMCA** on the development of a new 100-bed homeless hostel as well as other schemes to convert offices into emergency homeless and move-on accommodation.

Cornerstone Place

We have supported **Cornerstone Place**, an award-winning social enterprise developer, on redevelopments and net zero new-build properties for people at risk of homelessness.

Banking clients

We work regularly with longstanding banking clients **CAF Bank**, **Charity Bank**, **Reliance Bank**, **Unity Trust Bank** and **Triodos Bank** to support their investments into affordable housing. Our work for them includes negotiation of loan documentation, property due diligence and general transaction management in developing new social housing.



Looking after our planet, reducing our environmental impact

For the first time this year, we are incorporating our climate report into our impact report. You can find our previous reports on our [website](#). For over 10 years we've been working hard to reduce our carbon footprint and we began **balancing our carbon emissions in 2019**. We continue to find better ways to both measure and reduce our own impact and have worked with clients on innovative projects to create positive environmental impact.

Looking after our planet

- We're working on a groundbreaking project with the Knepp Wildland Foundation to advise on river restoration and recovery across a 25km stretch of the River Adur in Sussex.
- In 2023, our default employee pension was moved to a more sustainable fund. This means £4.3m invested in our employee pensions is supporting the decarbonisation of the investment market.
- We're acting for the RSPCA in a judicial review of DEFRA's failure to adequately enforce animal welfare laws in relation to broiler chickens.

Reducing our environmental impact

- We've set our science-based target, and it includes the carbon impact of all our expenditure across scopes 1, 2 and 3.
- We provide resources and training to our lawyers to help them provide net zero-aligned legal advice.
- We offer our people a one-off payment towards energy bills if they switch to a certifiable green energy provider.



Science-based target

This year our climate programme, with the support of our fellow B Corp **Grain Sustainability**, ran a project to set a science-based target for our carbon emission reductions. As well as measuring our direct operational emissions (our Scope 1 & 2 emissions, and some Scope 3 such as paper use, water use and waste), this involved measuring the carbon impact of all our expenditure in 2019 to help set a baseline measurement. This resulted in an increase of 1,000 tonnes of CO₂e to our carbon footprint when compared with just our operational emissions. Our biggest areas of carbon emissions include business services, IT, food and drink and employee commuting. Some of this – e.g. lawyer practising certificates, insurance, and subscriptions – is going to be hard for us to reduce because we have limited influence on some of the providers of those services. We plan to improve the quality of our data and work with our suppliers to make sure that even more of them are on a carbon reduction journey. We will also lobby business more generally and advocate for policy change to help the wider UK economy reduce its carbon and environmental impact while continuing to make reductions through our procurement decisions. We're using this data to set a roadmap to reduce our environmental impact even further. We've set a target to reduce all our emissions by 50% by 2030 against our baseline year (2019) and at least 90% by 2050 at the latest. Our target has been verified by the Science-based Targets Initiative.

2019

Baseline calculation based on spend data scopes 1, 2 & 3

1,706 tCO₂e

2023

Carbon emissions based on spend data scopes 1, 2 & 3

1,284 tCO₂e

2023

Operational footprint:

195.99 tCO₂e

Activity		2019		2022/23		% Change 2019 to 2023
		tCO2e	% of total	tCO2e	% of total	
Utilities	Electricity	120.500	7%	63.863	5%	-47%
	Water	0.900	0%	0.878	0%	-2%
	Waste	0.600	0%	0.159	0%	-74%
	Paper	14.500	1%	0.955	0%	-93%
Working from Home (WFH)				50.676	4%	
Commuting	Commute	89.500	6%	52.180	4%	-42%
Business travel	Air	26.900	2%	24.908	2%	-7%
	Rail	3.400	0%	1.484	0%	-56%
	Road	9.100	1%	0.886	0%	-90%
Total		265.400	16%	195.989	15%	-26%
FTE		236		217		
tCO2e/FTE		1.120		0.903		
Other Scope 3 (previously not accounted for)		1,440.726	84%	1,088.468	85%	-25%
Total Scope 1, 2 & 3		1,706.126		1,284.457		-26%
tCO2e/FTE		7.229		5.919		

Getting to our target

We have already made a 26% reduction in our carbon footprint from our baseline year and met or exceeded our 2030 reduction target (50%) for electricity, waste, rail travel, road travel and paper. We have almost achieved our target for staff commuting.

Air travel has increased since the pandemic so we will develop a strategy to meet our target on this. We had a major investment into a new software system in 2022/23 and we expect progress against our reduction target will be slow given our reliance on IT. We anticipate other areas of expenditure (advertising, food and drink and business services) will also see a slower reduction as we depend on our supply chain and the wider economy for changes in these areas.

Testimonial from Grain:

“At Grain we are believers in sustainability and that is what we bring to our projects as much as our competence. With Bates Wells this was hard as the entire organisation is already a phenomenal group of believers who live their values across all aspects of their organisation and beyond that as an active part of the B Corp community.

It is not uncommon for companies to define ambitious values in regard to society, environment and the economy but it is rare to find an organisation where the values are shared so consistently throughout the organisation. Every person we met, whether it is the team that we worked with on the successful SBTi certification or the wider Bates Wells Climate Group or individual lawyers you meet at events – partners or new recruits alike – they all show an incredible passion and knowledge.”

Christoph Geppert, Grain Sustainability

Carbon balancing

Bought

200 carbon credits

to balance 200 tonnes CO2e from UK based tree planting and rewilding company **Make It Wild** to cover our operational carbon footprint

Planted

1,285 trees

planted with B Corp **Ecologi**

Sponsored a

100m seaweed rope

with **Carbon Kapture**

Energy saving from office closure Christmas 2023

We made small adjustments to reduce our energy consumption over the course of 2023 and, mindful of the impact of opening and running our office when there is very little occupancy, closed our office in the period between Christmas 2023 and New Year for the first time. This resulted in a 20% reduction in energy consumption compared to December 2022, with half of that drop relating to the office closure alone.

Environmental impact: facts and figures

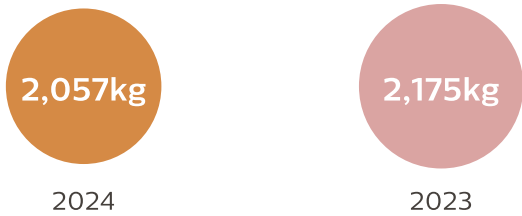
Fruitful Office plant trees for every basket of fruit they deliver for our people to share in the office.

Trees planted:



Recycling through our landlord

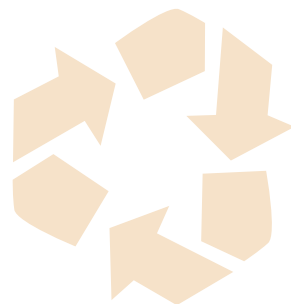
Recycling:



Food Waste:



Refuse-Derived Fuel:



Paper

We only use recycled paper and encourage our people to avoid printing. In 2023 the amount of paper we used increased significantly. We are analysing the cause so that we can get this back down.

Number of reams



Print ReLeaf have planted 406 trees in Madagascar on our behalf since we joined in 2019, and 54 in the last financial year to balance paper we use.

Plastic bottles

Plastic bottles saved by using refills for cleaning products with our cleaning partner **Peartree**

Number of plastic bottles saved



All milk used in the office is delivered and returned in reusable glass bottles. we also offer oat milk to all our staff, which requires significantly lower carbon emissions in its production.

Collaborating with others on climate

We continue to drive for change within the legal sector and have made significant impact as:

- A member of **The Law Society** Climate Change Working Group and fed into its guidance on Climate Change for solicitors.
- A member of **UN Race to Zero** Serviced Emissions Working Group.
- Inaugural members establishing the **Legal Charter 1.5**.
- Member of the **Net Zero Lawyers Alliance**.

Strategic litigation

We are exploring opportunities to change the law through strategic litigation with clients, funders and other stakeholders. In June 2023 we hosted the **B Corp finance and investment group’s discussion** on the rise of environmental litigation and the threat it poses to financial institutions and corporations. Later that year we brought together a group of charities, NGOs, funders and campaigning groups to explore how they might use strategic litigation to further their missions, explore barriers to action and discuss **ways to manage risk**; convened a group of charities supporting refugees and asylum seekers to consider legal responses to the government’s plan to deport asylum seekers to Rwanda; and hosted the Annual Conference of the INGO Lawyers group, leading a session on strategic litigation.

Supporting our people on environmental action

Pensions

Research shows that switching to a **sustainable pension** is the single most effective step that an individual can take to reduce their impact on carbon emissions. In February 2022 we made a sustainable pension fund the default for all new joiners to the firm and, following consultation, switched all existing employees to the fund in October 2023 as the default option. 84% of our people are in **Aviva's Sustainable Stewardship Fund** and a large proportion of remaining colleagues have self-selected other sustainable pension investment funds with the result that 70% (£4.3million) of the total funds invested are in sustainable investments. To our knowledge, no other law firm has switched their default employee pension to a more sustainable alternative.

We continue to provide training to help our lawyers provide net-zero aligned legal advice through:

- Purpose & Impact knowledge sessions
- Purpose & Impact forum meetings
- Net Zero Lawyers Alliance capacity building video screening
- Lunch & Learn session on nature and biodiversity with WWF
- Series of events on climate and personal finance

Climate Perks

In the year to 31 March 2024, 6 people used the **Climate Perks** scheme which allows them additional travel time when using more sustainable modes of transport to get to their holiday destinations across the UK and Europe.

Green Energy Offering

We offer our people a one-off payment towards energy bills if they switch to a certifiable green energy provider. 7 people have used the scheme in the last year.

Hard to recycle items

As well as operating a zero waste to landfill office, we encourage our people to bring hard-to-recycle items into the office for us to recycle for them. In the last year we recycled 68kg of the following items for our people:

- Batteries
- Bottle Tops
- Blister packs
- Beauty Kitchen Packaging
- Contact Lenses
- Corks
- Crisp Packets
- Stamps

People in Law Awards

We won Best Environmental Initiative at the People in Law Awards 2023, we were commended for our commitment to our B Corp status, engaging in climate action across our operations and client-facing work, as well as providing a default sustainable pension fund.

Nature recovery projects

Knepp Wildland Foundation

We have advised the **Knepp Wildland Foundation** on the Adur River Recovery Project. The project is a land manager-led project that seeks to restore landscape connectivity, reduce flood risk, improve water quality and boost biodiversity over a 25 km stretch of the river. We are working with stakeholders, including Natural England and the Environment Agency, to agree and establish an appropriate governance mechanism that balances diverse interests while maintaining focus on the core aim of restoring and revitalising the river and its catchment to create a new ribbon of wetland habitats through wildlife-friendly farmed landscapes. The project will also help farmers and landowners explore diverse funding mechanisms for creating and restoring habitats on their land. It is hoped that the project will create a blueprint for river recovery that can be replicated in other parts of the country.



Woodland Trust

We've been working with the **Woodland Trust** (in part pro bono) to develop a suite of documents to address some of the different scenarios it faces when delivering its aim of preserving, increasing and maintaining woodlands across the country.

We're also advising on the first group of landowners' agreements in respect of tree planting, establishment, ongoing maintenance and carbon sequestration for the Trust. These agreements are similar to conservation covenants, recently introduced by the Environment Act 2021, but are more comprehensive and intended to ensure that the use of land is permanently changed to woodland for carbon sequestration and the benefit of the public. This work will help move the UK in the direction of carbon neutrality and the agreements are the first of their kind being put into practice in England and Wales.



Woodland Savers

We helped establish **Woodland Savers**, an organisation enabling communities to use crowdfunding to buy and manage local woodland. We've worked with them to develop a model to support communities take ownership and responsibility for the preservation and stewardship of local woodlands, through the provision of a fund to help them acquire land as it becomes available.



Heal Rewilding

We work regularly with Triodos Bank on their loans to positive impact projects. Last year our Real Estate team helped **Heal Rewilding** to purchase a dairy farm in Somerset to create a nature reserve that is also bringing new jobs into the local community. The plan is to allow the land to return to nature without human management, apart from some early interventions like pond restoration, wildflower reintroductions and wetland creation, and the long-term care of grazing animals. The site will be a blueprint for establishing major nature recovery sites in all 48 English counties by 2050, which are expected to cover almost 25,000 acres.

Sub 51

This 'finance to field to fork' project connects private capital with farmers, tenants, and landowners who are considering regenerative agricultural systems that improve biodiversity. It uses the latest science, academic research and understanding of how best to steward ecosystems and uses technology to enable real-time assessment of where interventions are required and how they are performing. The project protects food security while providing access to nature credits to underpin the financing of these activities. We are advising on the governance, contractual, financing and regulatory aspects to help safeguard the projects' positive impacts and potential wider applications.

Supporting our clients' environmental aims

RSPCA broiler chickens and animal welfare

The **RSPCA** has identified the treatment of broiler chickens as the most pressing animal welfare issue in the UK today. We are acting for them as intervener in a judicial review by the Humane League, of the Secretary of State for Environment Food and Rural Affairs (DEFRA)'s failure to adequately enforce animal welfare laws in relation to fast-growing breeds of broiler chickens. Following our intervention (the claim is based to a large degree on an RSPCA study) the case refocused on the construction of the relevant welfare regulations.



Blue Marine Foundation

This organisation specialises in protecting the ocean and maritime environment. We have advised them on the publication of several of their reports, including on the fish quota management system for fishing in the North Sea and reports critical of supermarkets and their suppliers for selling overfished species of tuna from the Indian Ocean. We have also successfully supported **Blue Marine Foundation** against SLAPP action (Strategic Lawsuit Against Public Participation) to support their efforts to keep publishing critical information to make sure that businesses and governments continue to be held accountable for potential damage to our maritime and ocean environment.

Black Mountains College

Black Mountains College is a new further and higher education college based in Wales, founded as a response to the climate and ecological emergency. Its courses are entirely devoted to providing education to prepare students for a career in time of climate breakdown, and building a generation with the innovative skills and ideas needed to tackle the climate crisis. We advised the college on its establishment, structuring and governance and in securing its initial round of social investment to allow it to become operational.

Supporting environmental organisations

Open Planet CIC

Open Planet is a free visual library for creating impact on a global scale. It brings together powerful footage and world-class science to enable everyone, everywhere, to tell the story of our changing planet. Open Planet is a social enterprise created by Studio Silverback, which partners with Carnegie Mellon University's CREATE Lab, creators of interactive, data-driven stories about our planet using the EarthTime platform. We advised on the establishment of the entity and funding using 'patient' equity and debt investments from philanthropists and foundations.

EarthPercent

We provided **EarthPercent** with advice on its structure and governance, contractual and funding relationships and intellectual property rights. The charity was set up by Brian Eno and has collaborated with artists such as Coldplay, Michael Stipe and AURORA, and with Spotify and the Museum for the United Nations – UN Live. It aims to encourage musicians and music businesses to donate a percentage of different income streams to EarthPercent, which distributes the monies under the guidance of an Expert Advisory Panel to projects that address climate change and biodiversity loss.



Greenways & Cyclerroutes

Greenways & Cyclerroutes is a charitable organisation that exists to help local groups develop walking and cycling routes for and run by local communities. They work with local people to design routes with landowners' support and consent, to prepare the relevant documentation and commission reports necessary to secure planning permission, prepare estimates, apply for funding, appoint contractors and supervise construction of new routes across the country. In 8 years, Greenways has designed and built 13 routes where no access previously existed. These routes carry over 500,000 trips each year. We have been supporting the work of the charity through reduced rate legal advice on real estate matters

Conclusion

As I finish reading this report I am struck by the power of working together to make society stronger, fairer and more inclusive. It is inspiring to see our people involved in some of this ground-breaking legal work while we also continue to improve the way we manage our business.

I'm really pleased about the progress we've made to make our firm more inclusive. In the autumn, we'll welcome our first solicitor apprentices into the firm, which marks a significant change in our approach to recruiting more diverse talent into Bates Wells. Over the coming months as we develop a new EDI plan and a new strategy for the firm, we will consult, listen and respond to the views of our people.

We have more to do to increase diversity and improve inclusion at Bates Wells, but we will keep working at it with the support of our impressive and engaged colleagues.

All businesses need to reduce emissions and our new science-based target will put us under the spotlight to meet this challenge. We have set ourselves clear goals and taken bold steps forward to achieve our climate commitments, and I hope this will encourage others to join us.

In our last report I said that we are not a firm that stands still and this remains true. We often say that purpose is in our DNA at Bates Wells; it's the thing that makes us get out of bed in the morning and come to work to use the law as a force for good and to make business better.

We look forward to reporting back next year.



Sally Procopis
Chief Operating Officer



“We often say that purpose is in our DNA at Bates Wells; it’s the thing that makes us get out of bed in the morning and come to work to use the law as a force for good and to make business better.”

Sally Procopis



B Corp



Good Business Charter



Business Declares



Social Mobility Foundation



Menopause Pledge



Law Society Women in Law Pledge



Living Wage Employer



Social Enterprise UK



Net Zero Lawyers Alliance



Mindful Business Charter



Black Solicitors Network



MyGWork



Legal Charter 1.5



Race at Work Charter



Halo code



City Belonging Project



Greener Litigation Pledge



Campaign for Greener Arbitrations

Making a profit is core to all businesses but our goal is to combine this with a real social purpose. Our values are pivotal to us, they shape our decisions and the way we live and work.

We focus on positive social impact as much as we focus on being a successful law firm. Our top tier legal advice is coupled with a real desire to drive change and we were the first UK law firm to achieve B Corp certification, awarded to businesses that balance purpose and profit.

Today, our clients are diverse – from corporate household names, to public bodies, to start-ups. We're also the firm of choice for thousands of charities and social enterprises. We continue to lead the market we helped to shape.

Bates Wells challenges what is possible in legal expertise delivery.

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